

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL NOTE

HB 463 - SB 460

February 24, 2011

SUMMARY OF BILL: Authorizes the University of Tennessee (UT) to designate one or more foundations that have been established to support the university to receive private gifts for the university support. Authorizes UT to enter into fee-for-service agreements with one or more of these foundations to lease university employees to the foundation(s) to carry out the foundation's mission. All leased employees will retain full benefits. Authorizes UT to enter into fee-for-service agreements to provide services to these foundations.

ESTIMATED FISCAL IMPACT:

NOT SIGNIFICANT

Assumptions:

- According to the Comptroller of the Treasury, the UT Foundation will receive privately donated funds directly instead of through the UT Board of Trustees.
- UT will not hire additional employees to perform necessary foundation duties since the UT Foundation will lease current UT employees. According to UT, expenditures for personnel will not be reduced. The UT Foundation will pay for the salaries of the employees being leased and UT will pay the UT Foundation for its services. The net impact is not significant.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in blue ink, reading "James W. White".

James W. White, Executive Director

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